

## City of Seattle Legislative Information Service

*Information updated as of February 23, 2005 3:35 PM*

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**Council Bill Number: 114940**

**Ordinance Number: 121529**

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AN ORDINANCE relating to regular property taxes; providing for the submission to the qualified electors of the City at a special election called on September 14, 2004, of a proposition authorizing the City to Levy regular property taxes for up to seven years in excess of the 101% limitation and any other limitation on levies in Chapter 84.55 RCW for the purpose of providing City services, including providing Seattle School District public school students, Seattle youth, and their families with educational and developmental services; authorizing the creation of a new subfund; creating an oversight committee; and authorizing implementing agreements.

**Date introduced/referred:** Jun 21, 2004

**Date passed:** Jul 12, 2004

**Status:** Passed as Amended

**Vote:** 9-0

**Date of Mayor's signature:** Jul 16, 2004

**Committee:** Committee of the Whole

**Sponsor:** DELLA, STEINBRUECK

**Index Terms:** TAXES, PROPERTY-TAXES, ELECTIONS, SCHOOLS, **EDUCATION**, SCHOOL-DISTRICT-1, CHILDREN, YOUTHS, FAMILY

**References/Related Documents:** Related: CB 114885

**Note:** 2004 Families & Education Levy

### Text

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{+ indicates start of text that has been amended in  
+} indicates end of text that has been amended in*

AN ORDINANCE relating to regular property taxes; providing for the submission to the qualified electors of the City at a special election called on September 14, 2004, of a proposition authorizing the City to levy regular property taxes for up to seven years in excess of the 101% limitation and any other limitation on levies in Chapter 84.55 RCW for the purpose of providing City services, including providing Seattle School District public school students, Seattle youth, and their families with educational and developmental services; authorizing the creation of a new subfund; creating an oversight committee; and authorizing implementing agreements.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. **Findings.** The City Council makes the following findings:

a. Providing City services, including the Educational and Developmental Services described in Section 5 of this ordinance, is a City purpose.

b. The Educational and Developmental Services to be funded with Proceeds are intended to support student academic achievement and are supplemental to the basic education financed by the State of Washington and will not displace or reduce state funding for the public schools in the Seattle School District.

c. In 1990 and again in 1997, the voters of Seattle approved measures that provided funding for educational and developmental services to Seattle's children, youth, and families. These programs have proven successful at providing child care and out of school activities for more than 70,000 children and youth, providing parent education and support services to at least 110,000 families, providing academic support and intervention to more than 150,000 students, and other critical services aimed at keeping Seattle's children and youth safe, healthy, and ready to learn.

d. An urgent need exists to continue the provision of City services, including Educational and Developmental Services to be funded with Proceeds of regular property taxes, and its urgency requires submission to the qualified electors of The City of Seattle of a proposition authorizing regular property tax levies in excess of the levy limitations in Chapter 84.55 RCW, as it now exists or may hereafter be amended, for up to seven years at a special election to be held in conjunction with the state-wide election on September 14, 2004.

Section 2. **Definitions.** As used in this ordinance, the following words when capitalized have the following meanings:

a. "City" means The City of Seattle.

b. "Central Administrative Support" means the City's administration and oversight of the expenditure of Proceeds and monitoring the overall effectiveness of the Educational and Developmental Services funded with the Proceeds, and identifying unmet needs for future services.

c. "Educational and Developmental Services" means the array of programs and activities referred to in Section 5, with such modifications as the City Council may from time to time authorize by ordinance.

d. "Proceeds" means that portion of regular property taxes levied and collected as authorized by voter approval pursuant to this ordinance that are above the 101% limit on levies in RCW 84.55.010, and all interest and other earnings thereon, all of which shall be deposited in the 2004 Families and Education Subfund of the Educational and Developmental Services Fund.

e. "Seattle School District" and "School District" mean Seattle School District No. 1.

**Section 3. Levy of Regular Property Taxes - Submittal.** The City hereby submits to the qualified electors of the City a proposition as authorized by RCW 84.55.050 to exceed the limitations on regular property taxes contained in Chapter 84.55 RCW, as it now exists or may hereafter be amended, for property taxes levied in 2004 through 2010 for collection in 2005 through 2011, respectively. In addition to funding regular City services without reduction in the regular tax levy, this proposition would allow raising \$116,788,000 in aggregate over a period of up to seven years solely to provide Educational and Developmental Services for Seattle School District students, Seattle youth, and their families. The proposition shall be limited so that the City shall not levy in any year more than \$16,684,000 in addition to the maximum amount of regular property taxes it would have been limited to by the 101% limit in RCW 84.55.010 in the absence of voter approval under this ordinance, plus other authorized lid lifts. Pursuant to RCW 84.55.050(4), the maximum regular property taxes that may be levied in 2011 for collection in 2012 and in later years shall be computed as if the levy lid in RCW 84.55.010 had not been lifted under this ordinance.

**Section 4. Application of Proceeds.** The Proceeds shall be deposited in the City Treasury into a special 2004 Families and Education Subfund (the "Subfund") within the previously established Educational and Developmental Services Fund. Moneys in the Subfund may be temporarily deposited or invested in such manner as may be lawful for the investment of City money and interest and other earnings shall be deposited in the Subfund. The principal Proceeds and any interest or other earnings from their deposit or investment shall be applied solely for Educational and Developmental Services.

**Section 5. Educational and Developmental Services.** Educational and Developmental Services funded by Proceeds are services designed to help address the needs of Seattle's public school children and Seattle's youth and their families, with the intent of promoting learning, supporting academic achievement, and increasing access to services, and the administration of those services. Initially, Educational and Developmental Services shall be provided through the following nine program components:

1. Preschool and early childhood education. Plan and establish neighborhood-based early learning networks in low-income areas of the city that take a systemic approach to helping children be ready to succeed in kindergarten. Major program elements include preschool for low-income four year olds; access for low-income families to high quality childcare; school readiness support for children in home day-care situations, including home visits; a career wage ladder program; and preschool to kindergarten transition services.

2. Family support. Major program elements include school-based family support functions for elementary schools.

3. Family involvement services. Major program elements include family involvement programs.

4. Middle school support. Major program elements include school-based mental health and social/emotional support counseling and truancy/dropout prevention and intervention during school hours. Services in this component should be coordinated with services in the out-of-school activities and support for high-risk, middle and high school age youth components when possible.

5. Out-of-School activities. Major program elements include academically focused after school programs for middle school students, middle school athletics, and child care subsidies.

6. Support for high-risk, middle and high school age youth. Major program elements include case management services for high-risk youth.

7. Student health services. Major program elements include school-based student health clinics and nursing services at clinic sites.

8. Evaluation. Major program elements include evaluation of the individual programs in the foregoing components and the overall effects of Educational and Developmental Services funded by Proceeds.

9. School crossing guards. Major program elements include school crossing guards.

These anticipated program component descriptions are only illustrative examples. In the annual City budget or by separate ordinance, the City shall from year-to-year determine the budget and allocations among the nine program components, add or delete program components or program elements within a program component, change the scope of activities or the emphasis, and, within a budget year, reallocate unexpended and unencumbered funds from one program element or program component to another. Proceeds and appropriations unexpended at the end of any budget year shall automatically be carried over to the next budget year.

Expenditures from the Subfund for Central Administrative Support by the City shall not in any budget year exceed a total of five percent of that year's total expenditure authority from the Subfund.

Section 6. **Oversight Committee.** Conditioned upon voter approval of the ballot proposition submitted by this ordinance, there is established an Oversight Committee to advise the City Council concerning the implementation and evaluation plan called for by Section 7 and the Partnership Agreement called for by Section 9, to review the expenditure of Proceeds, to advise upon expenditures and allocations for the following year, and to make recommendations on the implementation of particular programs, on any reallocations of Proceeds, and on evaluations.

The Oversight Committee shall consist of twelve (12) members: the Mayor, the Chair of the City Council's Parks, Neighborhoods and Education Committee or its successor with respect to education issues, the Superintendent of the Seattle School District, a representative of the Seattle School Board, four (4) citizens who are not employees or board members of organizations having projects or programs eligible to be funded from the Proceeds, and four (4) citizens from the diverse

constituencies served by and interested in the projects and programs to be funded by the Proceeds. The Mayor shall appoint two (2) of the four (4) members from each of the above two (2) categories of citizen Committee members, and the City Council shall appoint the balance. Those eight members shall be appointed to three (3) year staggered terms subject to reappointment, except that two of them (one mayoral appointee and one Council appointee) shall be initially appointed for a single year term, three (two mayoral appointees and one Council appointee) for a two (2) year term, and three (one mayoral appointee and two Council appointees) for a three (3) year term. Upon the resignation, retirement, death, incapacity or removal of an Oversight Committee member, the authority appointing such member may appoint a replacement for the balance of the term. All members not appointed by the City Council shall be subject to confirmation by the City Council. Subject to applicable law, an individual serving as an officer, director or trustee of an entity that receives or competes for funding under this ordinance, or who has an interest in such an entity, shall not thereby be disqualified from serving on the Oversight Committee, but shall fully disclose any such relationships and shall not vote on any matter in which the interest of such entity is directly involved. Notwithstanding the foregoing, neither the Superintendent of the Seattle School District nor the representative of the Seattle School Board shall, because of their relationship with the School District, be disqualified from voting on any matter in which the interest of the Seattle School District is involved.

The Oversight Committee may adopt rules for its own procedures, including quorum requirements and the frequency of meetings. The Oversight Committee members shall select a Chair. The Oversight Committee will make annual reports to the Mayor and City Council and will prepare a mid-point report to the citizens of Seattle. The Office for Education shall provide staff and logistical support for the Oversight Committee. Members shall serve without pay, but may be reimbursed their expenses, including payments for child care while attending meetings. The Oversight Committee shall continue in existence through December 31, 2011, and thereafter if so provided by ordinance.

**Section 7. Implementation and Evaluation Plan.** Proceeds may be spent only in accordance with an implementation and evaluation plan (the "Plan") approved by ordinance. The Plan may be amended by ordinance.

The Plan will set forth the criteria, measurable outcomes and methodology by which programs funded by Proceeds will be selected and evaluated. The evaluation methodology will measure both individual programs and overall effects of the Educational and Developmental Services. The achievement of all stated outcomes will be evaluated and no one component will be determinative of an individual program's effectiveness or overall effectiveness of the Educational and Developmental Services.

**Section 8. Implementing Agreements.** If this proposition is approved by the voters, the City may carry out the Educational and Developmental Services with City staff or by agreements with the Seattle School District, with Public Health Seattle-King County, and with such other agencies and persons as may be appropriate. The Mayor or the Mayor's designee is authorized to enter into such agreements,

consistent with Section 9 below. The City will, when soliciting businesses for goods or services agreements, perform outreach to small, economically disadvantaged businesses, including those owned by women and minorities. City agreements with other public entities will encourage those entities to actively solicit bids for the subcontracting of any goods or services, when such subcontracting is required or appropriate, from qualified small businesses, including those owned by women and minorities. City agreements with businesses for goods and services and with other public entities and non-profits will encourage these entities to employ a workforce reflective of the region's diversity. All City agreements for goods and services will require the contracting entities to comply with all then-applicable requirements for non-discrimination in employment in federal, state, and City of Seattle laws and regulations.

**Section 9. City of Seattle/Seattle School District Partnership Agreement.** There shall be a Partnership Agreement ("the Partnership Agreement") developed by the City and the Seattle School District in which the roles and responsibilities of the City and the School District in developing the Implementation and Evaluation Plan, referenced in Section 7, and in implementing Educational and Developmental Services are established. The Partnership Agreement will set forth the parties' roles and responsibilities for achieving the Educational and Developmental Services' desired outcomes. It will outline, in a variety of areas, ways in which both the City and the School District will work collaboratively toward better results for children and youth. The Partnership Agreement may cover items including, but not limited to: data sharing necessary to implement program evaluations; standards for family support services, facility use, health service operating practices; and evaluating the feasibility of developing and implementing a school-readiness measurement system.

The City can not enter into the Partnership Agreement, or materially amend the Partnership Agreement, until the Partnership Agreement or the amendment, as the case may be, is approved by the Seattle City Council and the Seattle School Board. Proceeds may be spent on School District programs or functions only in accordance with an effective Partnership Agreement.

**Section 10. Reporting.** The Director of the Office for Education will prepare and submit to the City Council and the Mayor annual progress reports on the implementation of the Educational and Developmental Services covering each of the program components and the actions taken as a result of the adopted City of Seattle/School District Partnership Agreement.

**Section 11. Election - Ballot Title.** The King County Director of Records and Elections, as ex officio supervisor of elections, is hereby requested to conduct a special election, which the City hereby calls pursuant to RCW 84.55.050, to be held in conjunction with the state-wide election on September 14, 2004, and to submit to the qualified electors of the City the proposition set forth below.

The City Clerk is hereby authorized and directed not less than forty-five days prior to September 14, 2004, to certify the proposition to the King County Director of Records and Elections in the following

form or as modified by the City Attorney pursuant to RCW 29A.36.070:

THE CITY OF SEATTLE

PROPOSITION NUMBER \_\_\_\_\_  
REGULAR TAX LEVY INCLUDING  
FAMILIES AND EDUCATION

The City of Seattle's Proposition \_\_ concerns funding services, including Educational and Developmental Services supporting academic achievement.

This proposition would fund City services, including preschool, early-childhood education, family support, family involvement, middle-school support, out-of-school activities, supporting high-risk youth, student health, program evaluation, and school-crossing guards, per Ordinance \_\_\_\_\_. This vote approves, for up to seven years, regular property taxes higher than the limits in Chapter 84.55 RCW, beginning with 2005 total regular taxes limited to \$3.20/\$1,000 assessed value. Not more than \$16,684,000 per year (\$116,788,000 total) can be collected for the Educational and Developmental Services.

Should this levy be approved?

Levy, Yes

Levy, No

Those in favor shall vote "Yes;" those opposed shall mark their ballots "No."

Section 12. **Ratification.** Certification of such proposition by the City Clerk to the King County Director of Records and Elections in accordance with law prior to the date of such election on September 14, 2004, and any other act consistent with the authority and prior to the effective date of this ordinance, are hereby ratified and confirmed.

Section 13. **Severability.** In the event any one or more of the provisions of this ordinance shall for any reason be held to be invalid, such invalidity shall not affect any other provision of this ordinance or the levy of the taxes authorized herein, but this ordinance and the authority to levy those taxes shall be construed and enforced as if such invalid provisions had not been contained herein; and any provision which shall for any reason be held by reason of its extent to be invalid shall be deemed to be in effect to the extent permitted by law.

Section 14. **Effective Date.** This ordinance shall take effect and be in force immediately upon its approval by the Mayor or, if not approved and returned by the Mayor within ten (10) days after presentation, then on the eleventh (11th) day after its presentation to the Mayor or, if vetoed by the Mayor, then immediately after its passage over his veto.

Passed by the City Council the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, and signed by me in open session in authentication of its passage this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

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President \_\_\_\_\_of the City Council

Approved by me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Gregory J. Nickels, Mayor

Filed by me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
City Clerk

07/9/04

(Ver. 18)

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## **FISCAL NOTE FOR NON-CAPITAL PROJECTS**

| <b>Department:</b>     | <b>Contact Person/Phone:</b> | <b>DOF Analyst/Phone:</b> |
|------------------------|------------------------------|---------------------------|
| Legislative Department | G. Saroja Reddy 684-8147     | Cheryl Swab, 4-8053       |

### **Legislation Title:**

AN ORDINANCE relating to regular property taxes; providing for the submission to the qualified electors of the City at a special election called on September 14, 2004, of a proposition authorizing the City to levy regular property taxes for up to seven years in excess of the 101% limitation and any other limitation on levies in Chapter 84.55 RCW for the purpose of providing City services, including providing Seattle School District public school students, Seattle youth, and their families with educational and developmental services; authorizing the creation of a new subfund; creating an oversight committee; and authorizing implementing agreements.

### **• Summary of the Legislation:**

This legislation would place on the ballot a renewal of the 1990 and 1997 Families and Education Levies. The proposal is a \$116.8 million package that focuses resources on early learning, family support, family involvement, out-of-school time, middle school support services, support for middle- and high-school-age youth who are at risk of dropping out, student health services and school crossing guards. Program areas are tied to improving the chances of academic success for children. There are specific goals for evaluation and accountability. The overall goal is to give every child and every family a chance for success in school.

The Families and Education Levy proposal would focus resources in the areas where the City of Seattle can have the most positive effect on improving and supporting student academic success. Educational and Developmental Services (EDS), funded by Proceeds, are services designed to help address the needs of Seattle's public school children and Seattle's youth and families, with the intent of promoting learning, supporting academic achievement, increasing access to services and the administration of those services. Initially, EDS would be provided through 9 program components.

These anticipated program component descriptions are only illustrative examples. In the annual City budget or by separate ordinance, the City shall from year-to-year determine the budget and allocations among the nine program components, add or delete program components or program elements within a program component, change the scope of activities or the emphasis, and, within a budget year, reallocate unexpended and unencumbered funds from one program element

or program component to another. Proceeds and appropriations unexpended at the end of any budget year shall automatically be carried over to the next budget year.

### **1. Preschool and Early Childhood Education - \$3,944,254**

- Plan and establish neighborhood-based early learning networks in low-income areas of the city that take a systemic approach to helping children be ready to succeed in kindergarten.
- Major program elements include preschool for low-income four year olds, access for low-income families to high-quality childcare; school readiness support of children in home day-care situations, including home visits; a career wage ladder program; and preschool to kindergarten transition services.
- \$3,003,000 for preschool w/1/2 day childcare for 4 yr olds (350 children). Initial funding is anticipated for 350 children, living at 110-300% of fpl, to participate in the preschool/childcare program for four year olds. Increasing the allocation to the preschool/childcare program to increase the number of participating children to 400 four year olds shall be a priority for any reallocation of unexpended and unencumbered levy funds.
- \$125,000 for Parent Child home visits.
- \$74,000 for preschool/ kindergarten transition.
- \$279,254 for program management (8%)
- \$250,000 for supporting childcare quality (ages 0-3)
- \$213,000 for career wage ladder program

### **2. Family Support - \$2,330,248**

- Major program elements include school-based family support functions for elementary schools.
- \$2,330,248 for 50 FTE family support workers plus annual inflation adjustment. (Includes 7% program management)

### **3. Family Involvement - \$500,000**

- Major program elements include family involvement projects.
- \$500,000 allocated as follows: \$250,000 to continue the school-based Family Partnership program and \$250,000 to community-based organizations, chosen through RFP. (Includes 10% program management)

### **4. Middle School Support - \$1,000,000 (including program management)**

- Major program elements include school-based mental health and social/emotional support counseling and truancy/dropout prevention during school hours. Services in this component should be coordinated with services in the out-of-school activities and support for high-risk, middle and high school age youth components
- Middle school support program funds shall include:
  - a) Directly involving school/community team members in identification of specific local barriers to learning and in selection of appropriate programs to address these barriers;
  - b) Implementing tested and effective programs that address local barriers to learning and have a proven track record of: reducing truancy, drop-out, delinquency, substance abuse, or violent behavior; or of improving student behavior; and
  - c) Allocation for personnel to provide training and technical assistance to create and empower teams of middle school and community stakeholders to develop and implement action plans to reduce the most prevalent risk factors and elevated barriers to learning in the local youth population.

#### **5. Out-of-School Time - \$3,100,000**

- Major program elements include academically focused after school programs for middle school students, middle school athletics and childcare subsidies.
- \$2,520,000 for Partnership for Student Success (PSS).
- \$330,000 for after school activities.
- \$250,000 for program management (8%)

#### **6. Support for High-Risk Middle and High School Youth - \$1,195,700**

- Major program elements include case management services for high-risk youth. Strategies may include school-based prevention and early intervention for truancy prevention, skill-building services to address student truancy and to reduce other barriers to learning, such as, discipline, mental health and substance abuse issues. These strategies should not unnecessarily take resources away from case management services.
- \$1,100,000 for case management.
- \$95,700 for program management (8%)

#### **7. Student Health Services - \$3,671,077**

- Major program elements include school-based student health clinics and nursing services at clinic sites.
- \$2,605,000 for school-based health clinics.

- \$699,300 for 11 FTE school nurses.
- \$366,777 program management (10%)

#### **8. Evaluation - \$200,000**

- Major program elements include evaluation of the individual programs and the overall effects of Educational and Developmental Services funded by Proceeds.

#### **9. School Crossing Guards - \$513,900.**

- Major program elements include school crossing guards. This program element is funded for three and a half years.

#### **10. Central Levy Administration - \$500,000**

- Capped at 5%.

#### **11. Program Administration – Overall program management is budgeted at 8%.**

#### **12. Oversight Committee**

- Establishes an Oversight Committee.
- Advises City Council on Implementation and Evaluation Plan, Partnership Agreement, review expenditure of Proceeds, advise on expenditures and allocations, make recommendations on program implementation, reallocation of Proceeds, and evaluations.
- 12 members: Mayor, School Superintendent, Chair of Council Education Committee, School Board member, four (4) citizens who are not employees or board members of organizations having projects or programs eligible to be funded from the Proceeds, and four (4) citizens from the diverse constituencies served by and interested in the projects and programs to be funded by the Proceeds. The Mayor shall appoint two (2) of the four (4) members from each of the above two (2) categories of citizen Committee members, and the City Council shall appoint the balance.
- Members serve 3-year staggered terms.
- Members serve without pay, but may be reimbursed their expenses including payment for childcare during meetings.
- Consistent with applicable law, members who hold a position or have an interest in an entity receiving EDS Proceeds may serve on the committee but must disclose any such relationships and shall not vote on any matter in which the interest of the entity is directly involved. This provision does not apply to the Superintendent of the Seattle School District or the representative of the Seattle School Board.

- Committee will select a Chair and may adopt procedural rules.
- Committee will make annual reports to Mayor and Council and a mid-point report to Seattle citizens.
- City Office for Education will staff the committee.
- Committee to exist through December 2011 unless continued by ordinance.

### **13. Implementation and Evaluation Plan**

- Proceeds may be spent only in accordance with an Implementation and Evaluation Plan (Plan) approved by ordinance.
- Plan may be amended by ordinance.
- Plan will set forth criteria, measurable outcomes and methodology by which programs will be selected and evaluated. Evaluation methodology will measure both individual programs and overall effects of EDS.
- The achievement of all stated outcomes will be evaluated and no one component will be determinative of an individual program's effectiveness or overall effectiveness of the EDS.
- Program selection should be informed by data on the specific needs of each population intended to be served. These data may include student surveys and local assessments identifying risk and protective factors, parent survey data, and school district student data. Program selection criteria should include, but not be limited to, best practices, research-based tested and effective programs, financial feasibility, cultural competency, and necessary program adjustments to meet the needs of particular populations. Student surveys also will be conducted every two years to ascertain the effects of levy-funded programs on student behavior, achievement and overcoming barriers to learning.

### **14. Implementing Agreements**

- EDS may be implemented by City Staff, or by agreement by other entities. Mayor is authorized to enter into Implementing Agreements. City will outreach to small, economically disadvantaged businesses, including those owned by women and minorities, and City agreements will encourage entities to employ a workforce reflective of the region's diversity.

### **15. City of Seattle/Seattle School District Partnership Agreement**

- The City and Seattle School District will develop a Partnership Agreement establishing the roles and responsibilities of the parties in developing the Implementation and Evaluation Plan, in implementing the EDS and achieving the desired outcomes.

- The Agreement may cover items including, but not limited to, data sharing necessary to implement program evaluations; standards for family support services, facility use, health service operating practices; and evaluating the feasibility of developing and implementing a school-readiness measurement system. A school-readiness measurement is important to assess the effectiveness of the preschool program. It is Council's intent and expectation that an appropriate school student readiness measurement be developed and implemented.
- The City Council and School Board must approve the Agreement, and any amendments. Proceeds may be spent on School District programs or functions only in accordance with the Agreement.

## 16. Reporting

- The Director of Office of Education will submit an annual progress report to the Council and Mayor on the implementation of the programs and the actions taken as a result of the Partnership Agreement.
- **Background:** *(Include brief description of the purpose and context of legislation and include record of previous legislation and funding history, if applicable):*

In April 1990, then-Mayor Norm Rice convened an education summit to recognize the City's role in supporting students outside the classroom. Participants recommended a special emphasis on services that ensured children and youth are safe, healthy, and ready to learn. In the fall of 1990, Seattle voters passed the first Seattle Families and Education Levy, which raised \$69.2 million over seven years. Programs and services funded by the first Families and Education Levy included:

- Early childhood development;
- School-based student/family services;
- Comprehensive student health services; and
- Out-of-school-time activities.

In 1997, Seattle voters renewed their commitment to strengthening schools, families, and communities by approving a second seven-year, \$69-million Families and Education Levy. The 1997 Levy invested in the same key areas with a greater emphasis on supporting middle school students.

The 2002 and 2003 State of Children and Youth in Seattle reports show that Seattle's children and youth are not doing equally well. The data from both years show unacceptable disproportionality in educational outcomes for children and youth by race, income and across geographic areas of the city. Youth of color and youth living in poverty are overwhelmingly in Southeast and Southwest Seattle. These are also the areas of the city showing higher

concentrations of unexcused absences and failure to meet Washington Assessment of Student Learning standards (WASL).

In 1993, the Legislature passed the education reform law, which mandated academic standards and statewide assessments, including the WASL. The class of 2008 must pass the WASL in 2006 in order to graduate from high school. The federal No Child Left Behind Act further requires all students to meet state standards and for schools to reduce disproportionality in test scores.

Economic success in life is correlated to the number of years a child attends school. The need to support Seattle's children so they can succeed in school has clearly been demonstrated.

- Please check one of the following:

☐ **This legislation does not have any financial implications.** (Stop here and delete the remainder of this document prior to saving and printing.)

☒ **This legislation has financial implications.** (Please complete all relevant sections that follow.)

***Appropriations:*** This table should reflect appropriations that are a direct result of this legislation. In the event that the project/ programs associated with this ordinance have appropriations that were, or will be, received because of previous or future legislation or budget actions, please provide details in the Notes section below.

| Fund Name and Number | Department | Budget Control Level* | 2004 Appropriation | 2005 Anticipated Appropriation |
|----------------------|------------|-----------------------|--------------------|--------------------------------|
|                      |            |                       |                    |                                |
| <b>TOTAL</b>         |            |                       |                    |                                |

\*See budget book to obtain the appropriate Budget Control Level for your department.

***Notes:*** This legislation does not appropriate funds to specific City departments. This legislation would place on the September, 2004 ballot a \$116.8 million renewal of the Families and Education Levy. Should the ballot measure pass, the Executive will present an implementation and evaluation plan for Council approval by ordinance.

**Anticipated Revenue/Reimbursement: Resulting From This Legislation:** This table should reflect revenues/reimbursements that are a direct result of this legislation. In the event that the issues/projects associated with this ordinance/resolution have revenues or reimbursements that were, or will be, received because of previous or future legislation or budget actions, please provide details in the Notes section below the table.

| REVENUES | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |  |
|----------|---|---|---|---|---|---|---|---|--|
|          |   |   |   |   |   |   |   |   |  |
|          |   |   |   |   |   |   |   |   |  |
|          |   |   |   |   |   |   |   |   |  |
|          |   |   |   |   |   |   |   |   |  |
|          |   |   |   |   |   |   |   |   |  |

**Note:** This table assumes a 99 percent collection rate. The interest rate is based on the average Seattle CPI.

**Total Regular Positions Created Or Abrogated Through This Legislation, Including FTE Impact:** This table should only reflect the actual number of positions created by this legislation. In the event that positions have been, or will be, created as a result of previous or future legislation or budget actions, please provide details in the Notes section below the table.

| Position Title and Department* | Fund Name | Fund Number | Part-Time/<br>Full Time | 2004<br>Position<br>s | 2004<br>FTE | 2005<br>Positions** | 2005<br>FTE** |
|--------------------------------|-----------|-------------|-------------------------|-----------------------|-------------|---------------------|---------------|
| N/a, see note                  |           |             |                         |                       |             |                     |               |
|                                |           |             |                         |                       |             |                     |               |
| <b>TOTAL</b>                   |           |             |                         |                       |             |                     |               |

\* List each position separately

\*\* 2005 positions and FTE are total 2005 position changes resulting from this legislation, not incremental changes. Therefore, under 2005, please be sure to include any continuing positions from 2004

**Notes:** the implementation process mentioned above will determine Positions.

- **Do positions sunset in the future?** (If yes, identify sunset date):

N/a



**Spending/Cash Flow:** *This table should be completed only in those cases where part or all of the funds authorized by this legislation will be spent in a different year than when they were appropriated (e.g., as in the case of certain grants and capital projects). Details surrounding spending that will occur in future years should be provided in the Notes section below the table.*

**SEE ATTACHED TABLE– Ed Levy Summary**

*\* See budget book to obtain the appropriate Budget Control Level for your department.*

**Notes:**

- **What is the financial cost of not implementing the legislation?** *(Estimate the costs to the City of not implementing the legislation, including estimated costs to maintain or expand an existing facility or the cost avoidance due to replacement of an existing facility, potential conflicts with regulatory requirements, or other potential costs if the legislation is not implemented.)*

The 2002 and 2003 State of Children and Youth in Seattle reports show that Seattle's children and youth are not doing equally well. The data from both years show unacceptable disproportionality in educational outcomes for children and youth by race, income and across geographic areas of the city. Youth of color and youth living in poverty are overwhelmingly in Southeast and Southwest Seattle. These are also the areas of the city showing higher concentrations of unexcused absences and failure to meet Washington Assessment of Student Learning standards (WASL).

Economic success in life is correlated to the number of years a child attends school. The need to support Seattle's children so they can succeed in school has clearly been demonstrated.

- **What are the possible alternatives to the legislation that could achieve the same or similar objectives?** *(Include any potential alternatives to the proposed legislation, such as reducing fee-supported activities, identifying outside funding sources for fee-supported activities, etc.)*

The alternative is to fund these program areas through other than City funding.

- **Is the legislation subject to public hearing requirements:** *(If yes, what public hearings have been held to date, and/or what plans are in place to hold a public hearing(s) in the future.)*

The development of this proposal began with the Levy Oversight Committee (LOC), which is a seven-member panel serving three-year terms, established by ordinance to advise the Mayor and City Council on levy spending and policy.

The LOC drafted a policy framework for renewal of the levy, which was developed with expert and community input. It outlined the goals of the levy, the role of the City of Seattle in

education and the recommended areas in which the Levy could invest (called “strategic areas of investment.”)

The City’s Office for Education then conducted a process to help the LOC refine the framework. Input from community meetings, expert panels and a community survey (translated into multiple languages) all contributed to the final framework.

After the LOC adopted its policy framework, Mayor Nickels convened a Citizens’ Advisory Committee (CAC) to advise the LOC by recommending services in which the new Levy should invest. The 42-member CAC engaged more than 2,500 people in its decision-making.

The LOC took the CAC’s recommendations seriously and, through a set of work sessions over the course of 5 months, came to agreement on a recommendation to the Mayor. The Mayor’s proposal, follows the LOC’s and CAC’s recommendations.

The City Council has held eight Committee of the Whole meetings and a public hearing on this legislation. Over 100 citizens who came to express their ideas and concerns on strategies that would effectively support student’s academic achievement, attended the public hearing.

- **Other Issues** (including long-term implications of the legislation):

**Please list attachments to the fiscal note below:**

- 1. Ed Levy Summary***
- 2. Cost per homeowner***
- 3. Investment Areas***
- 4. Interest Rate Calculation***
- 5. Collection Estimates***

Author's Name: Reddy/Lee

Date (Hard-Coded): July 12, 2004

Name of Companion Legislation: 04 F&E ballot ordinance v18

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## Attachment 1: Ed Levy Summary

### Projected Expenditures for seven year levy

| EXPENDITURES                             | 1                   | 2                   | 3                   | 4                   | 5                   | 6                   | 7                   | 8                   |                      |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Investment Area                          | 2005 Budget         | 2006 Budget         | 2007 Budget         | 2008 Budget         | 2009 Budget         | 2010 Budget         | 2011 Budget         | 2012 Budget         | Total                |
| Early Learning Networks                  | \$1,242,109         | \$2,594,788         | \$3,310,118         | \$4,025,554         | \$4,085,937         | \$4,147,226         | \$4,209,435         | \$2,518,341         | \$26,134,000         |
| Middle School Support                    | \$330,000           | \$1,015,000         | \$1,030,225         | \$1,045,678         | \$1,061,364         | \$1,077,284         | \$1,093,443         | \$743,596           | \$7,397,000          |
| Out of School Time                       | \$747,426           | \$2,084,261         | \$2,743,582         | \$3,146,500         | \$3,193,698         | \$3,241,603         | \$3,290,227         | \$2,237,519         | \$20,685,000         |
| Middle & High School Youth               | \$400,500           | \$1,231,840         | \$1,250,318         | \$1,269,072         | \$1,288,108         | \$1,307,430         | \$1,327,042         | \$902,455           | \$8,977,000          |
| Student Health Services                  | \$1,232,097         | \$3,789,631         | \$3,846,475         | \$3,904,173         | \$3,962,735         | \$4,022,176         | \$4,082,509         | \$2,776,310         | \$27,616,000         |
| Family Support                           | \$768,982           | \$2,365,202         | \$2,400,680         | \$2,436,690         | \$2,473,240         | \$2,510,339         | \$2,547,994         | \$1,732,763         | \$17,236,000         |
| Family Involvement                       | \$161,420           | \$496,487           | \$503,935           | \$511,494           | \$519,166           | \$526,953           | \$534,858           | \$363,730           | \$3,618,000          |
| School Crossing Guards                   | \$513,900           | \$521,609           | \$529,433           | \$268,687           | \$0                 | \$0                 | \$0                 | \$0                 | \$1,834,000          |
| Levy Administration                      | \$165,000           | \$507,500           | \$515,113           | \$522,839           | \$530,682           | \$538,642           | \$546,722           | \$371,798           | \$3,698,000          |
| Evaluation                               | \$66,000            | \$200,000           | \$200,000           | \$200,000           | \$200,000           | \$200,000           | \$200,000           | \$134,000           | \$1,400,000          |
| <b>Total Expenditures</b>                | <b>\$5,627,000</b>  | <b>\$14,806,000</b> | <b>\$16,330,000</b> | <b>\$17,331,000</b> | <b>\$17,315,000</b> | <b>\$17,572,000</b> | <b>\$17,832,000</b> | <b>\$11,781,000</b> | <b>\$118,595,000</b> |
| REVENUES                                 | 1                   | 2                   | 3                   | 4                   | 5                   | 6                   | 7                   | 8                   |                      |
|  | 2005 Budget         | 2006 Budget         | 2007 Budget         | 2008 Budget         | 2009 Budget         | 2010 Budget         | 2011 Budget         | 2012 Budget         | Total                |
| Levy Legal Allocation (per Ordinance)    | \$16,684,000        | \$16,684,000        | \$16,684,000        | \$16,684,000        | \$16,684,000        | \$16,684,000        | \$16,684,000        | \$0                 | \$116,788,000        |
| Estimated property taxes to be collected | \$16,272,000        | \$16,516,000        | \$16,573,000        | \$16,614,000        | \$16,619,000        | \$16,619,000        | \$16,620,000        | \$349,000           | \$116,182,000        |
| Investment Earnings Net                  | \$77,000            | \$226,000           | \$283,000           | \$345,000           | \$429,000           | \$596,000           | \$393,000           | \$67,000            | \$2,416,000          |
| <b>Total Revenues</b>                    | <b>\$16,349,000</b> | <b>\$16,742,000</b> | <b>\$16,856,000</b> | <b>\$16,959,000</b> | <b>\$17,048,000</b> | <b>\$17,215,000</b> | <b>\$17,013,000</b> | <b>\$416,000</b>    | <b>\$118,598,000</b> |
| FUND BALANCE                             | 1                   | 2                   | 3                   | 4                   | 5                   | 6                   | 7                   | 8                   |                      |
|  | 2005 Budget         | 2006 Budget         | 2007 Budget         | 2008 Budget         | 2009 Budget         | 2010 Budget         | 2011 Budget         | 2012 Budget         | Total                |
| Total Revenues                           | \$16,349,000        | \$16,742,000        | \$16,856,000        | \$16,959,000        | \$17,048,000        | \$17,215,000        | \$17,013,000        | \$416,000           | \$118,598,000        |
| Total Expenditures                       | (\$5,627,000)       | (\$14,806,000)      | (\$16,330,000)      | (\$17,331,000)      | (\$17,315,000)      | (\$17,572,000)      | (\$17,832,000)      | (\$11,781,000)      | (\$118,594,000)      |
| Excess of Revenues over Expenditures     | \$10,722,000        | \$1,936,000         | \$526,000           | -\$372,000          | -\$267,000          | -\$357,000          | -\$819,000          | -\$11,365,000       | \$4,000              |
| Difference in Summit                     |                     |                     |                     |                     |                     |                     |                     |                     |                      |
| <b>Year Ending Fund Balance</b>          | <b>\$10,722,000</b> | <b>\$12,658,000</b> | <b>\$13,184,000</b> | <b>\$12,812,000</b> | <b>\$12,545,000</b> | <b>\$12,188,000</b> | <b>\$11,369,000</b> | <b>\$4,000</b>      | <b>\$4,000</b>       |

### Expenditure Assumptions

1. Early Learning spends 44% of half of one year of annualized costs in 2005; 60% in 2006; 80% in 2007
2. OST - existing services are fully funded in 2005, new services are funded at 33% of annualized cost in 2005 and 60% in 2006 and 85% in 2007
3. Middle & High School assumes funding an existing program for three months of 2005, funded by the past levy (33% of total in 2005)
4. Health assumes on-going program of which four months of 2005 will be funded by past levy; this assumes 33%; \$200K in 2005 and \$100K in 2006 is added to the new levy amount in order to start the clinics out at the past levy levels.

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5. School-based health centers are reduced by \$200,000 to reflect increased third party billing.
6. Family Involvement is funded at 33% of annualized cost in 2005 due to funding from previous levy.
7. Assumes OFE is funded at 3.2% of services.
8. Assumes 1.5% inflation
9. School crossing guards are funded for 3.5 years.

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#### **Revenue Assumptions**

1. Assumes approximately 99% collection rate
2. The interest rate is based on the average Seattle CPI

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## Attachment 2: Cost per Homeowner

|   |                         | Total Levy Amt                  |               | \$116,788,000                           |              |
|---|-------------------------|---------------------------------|---------------|---|--------------|
|   |                         | Average Annual Amount Collected |               |   |              |
|   |                         | at 7 years                      |               |   |              |
|   |                         | \$16,243,000                    |               |   |              |
|   |                         |                                 |               | Estimate                                |              |
| Tax Year  | Assessed Value Estimate | AV Growth Assumption            | Rate at 7 yrs | Annual cost to owner of avg priced home | Median Value |
| 2004  | 83,269,907,982          |                                 |               | at 7 yrs                                | \$346,080    |
| 2005  | \$87,017,053,841        | 1.045                           | \$0.19        |   | \$356,462    |
| 2006  | \$90,932,821,264        | 1.045                           | \$0.18        | \$68                                    | \$367,156    |
| 2007  | \$95,024,798,221        | 1.045                           | \$0.18        | \$67                                    | \$378,171    |
| 2008  | \$99,300,914,141        | 1.045                           | \$0.17        | \$66                                    | \$389,516    |
| 2009  | \$103,769,455,277       | 1.045                           | \$0.16        | \$65                                    | \$401,202    |
| 2010  | \$108,439,080,765       | 1.045                           | \$0.15        | \$65                                    | \$413,238    |
| 2011  | \$113,318,839,399       | 1.045                           | \$0.15        | \$64                                    | \$425,635    |
| 2012  | \$118,418,187,172       | 1.045                           |               | \$63                                    | \$438,404    |
| 2013  | \$123,747,005,595       | 1.045                           |               | Annual cost to owner of avg priced home | \$451,556    |
| 2014  | \$129,315,620,847       | 1.045                           |               |   | \$465,103    |
| Total amount per household for the life of the levy |                         |                                 |               |   | \$458        |
| Average per year over the life of the levy          |                         |                                 |               |   | \$65         |

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### Attachment 3: Investment Areas

| Strategic Areas                         | Program                                  | 2004 GF allocation | 2004 Ed Levy Adopted Budget | GF Recommendations for 2005 | Ed Levy Full Annual Expenditure | Net difference for GF | Net difference for Ed Levy | Current investment (GF & Ed Levy) | Proposed investment (GF & Ed Levy) | Difference between proposed and current investments |
|---|--|--------------------|-----------------------------|-----------------------------|---------------------------------|-----------------------|----------------------------|-----------------------------------|------------------------------------|---|
| <b>Early Learning</b>                   | Comprehensive Child Care (subsidies)     | 119,905            | 915,424                     | 1,035,329                   | 480,228                         | 915,424               | (435,196)                  | 1,035,329                         | 1,515,557                          | 480,228   |
|   | Preschool for four year olds             |                    |                             |                             | 2,530,588                       | 0                     | 2,530,588                  | 0                                 | 2,530,588                          | 2,530,588   |
|   | Supporting Child Care quality (ages 0-5) | 1,040,140          | 438,869                     |                             | 250,000                         | (1,040,140)           | (188,869)                  | 1,479,009                         | 250,000                            | (1,229,009)   |
|   | Parent/child home visits                 |                    |                             |                             | 125,000                         | 0                     | 125,000                    | 0                                 | 125,000                            | 125,000   |
|   | Preschool/K transition                   |                    |                             |                             | 74,000                          | 0                     | 74,000                     | 0                                 | 74,000                             | 74,000  |
|   | Career wage ladder                       |                    |                             |                             | 213,000                         |                       | 213,000                    |                                   | 213,000                            |   |
|   | Program management                       |                    |                             |                             | 279,254                         | 0                     | 279,254                    | 0                                 | 279,254                            | 279,254   |
|   | <b>Subtotal Early Learning</b>           | <b>1,160,045</b>   | <b>1,354,293</b>            | <b>1,035,329</b>            | <b>3,952,069</b>                | <b>(124,716)</b>      | <b>2,597,776</b>           | <b>2,514,338</b>                  | <b>4,987,398</b>                   | <b>2,473,060</b>                                    |
| <b>Family Support &amp; Involvement</b> | Family Support Workers                   | 1,380,927          | 1,058,484                   | 0                           | 2,330,248                       | (1,380,927)           | 1,271,764                  | 2,439,411                         | 2,330,248                          | (109,163)   |
|   | Family Involvement Strategies            |                    |                             |                             | 499,950                         |                       |                            | 0                                 | 499,950                            | 499,950   |
|   | Family Support Centers                   | 457,689            | 813,793                     | 1,271,482                   | 0                               | 813,793               | (813,793)                  | 1,271,482                         | 1,271,482                          | 0   |
|   | Family Partnerships                      |                    | 348,906                     | 0                           | 0                               | 0                     | (348,906)                  | 348,906                           | 0                                  | (348,906)   |
|   | Immigrant/Refugee Family Support         | 239,839            | 30,158                      | 269,997                     | 0                               | 30,158                | (30,158)                   | 269,997                           | 269,997                            | 0   |
|   | First Place Counseling                   | 0                  | 62,905                      |                             |                                 | 0                     | (62,905)                   | 62,905                            | 0                                  | (62,905)  |
|   | <b>Subtotal Family Support</b>           | <b>2,078,455</b>   | <b>2,314,246</b>            | <b>1,541,479</b>            | <b>2,830,198</b>                | <b>(536,976)</b>      | <b>16,002</b>              | <b>4,392,701</b>                  | <b>4,371,677</b>                   | <b>(21,024)</b>                                     |
| <b>Middle School Support</b>            | Middle School Support                    |                    | 1,103,760                   | 0                           | 1,000,000                       | 0                     | (103,760)                  | 1,103,760                         | 1,000,000                          | (103,760)   |
|   | <b>Subtotal Middle School</b>            | <b>0</b>           | <b>1,103,760</b>            | <b>0</b>                    | <b>1,000,000</b>                | <b>0</b>              | <b>(103,760)</b>           | <b>1,103,760</b>                  | <b>1,000,000</b>                   | <b>(103,760)</b>                                    |

### Attachment 3: Investment Areas

| Strategic Areas                                 | Program                                    | 2004 GF allocation | 2004 Ed Levy Adopted Budget | GF Recommendations for 2005 | Ed Levy Full Annual Expenditure | Net difference for GF | Net difference for Ed Levy | Current investment (GF & Ed Levy) | Proposed investment (GF & Ed Levy) | Difference between proposed and current investments |
|---|--|--------------------|-----------------------------|-----------------------------|---------------------------------|-----------------------|----------------------------|-----------------------------------|------------------------------------|---|
| <b>OST</b>                                      | After School Activities                    |                    | 1,210,163                   |                             | 330,000                         | 0                     | (880,163)                  | 1,210,163                         | 330,000                            | (880,163)   |
|   | Community Learning/PSS (middle school)     | 49,500             | 295,150                     |                             | 1,470,000                       | (49,500)              | 1,174,850                  | 344,650                           | 1,470,000                          | 1,125,350   |
|   | Community Learning/PSS (elementary school) |                    |                             |                             | 850,000                         | 0                     | 850,000                    | 0                                 | 850,000                            | 850,000   |
|   | PSS Extra Costs                            |                    |                             |                             | 200,000                         |                       | 200,000                    |                                   | 200,000                            |   |
|   | School Age Care subsidies (5-12 years old) | 191,437            | 632,536                     | 623,973                     |                                 | 432,536               | (632,536)                  | 823,973                           | 623,973                            | (200,000)   |
|   | Summer scholarships                        | 118,362            | 179,042                     |                             | 0                               | (118,362)             | (179,042)                  | 297,404                           | 0                                  | (297,404)   |
|   | Program management                         |                    |                             |                             | 250,000                         | 0                     | 250,000                    | 0                                 | 250,000                            | 250,000   |
|   | <b>Subtotal OST</b>                        | <b>359,299</b>     | <b>2,316,891</b>            | <b>623,973</b>              | <b>3,100,000</b>                | <b>264,674</b>        | <b>783,109</b>             | <b>2,676,190</b>                  | <b>3,723,973</b>                   | <b>1,047,783</b>                                    |
| <b>High Risk Middle &amp; High School Youth</b> | Youth Development Svcs                     | 849,231            | 69,911                      |                             | 0                               | (849,231)             | (69,911)                   | 919,142                           | 0                                  | (919,142)   |
|   | Coordinated Case Management                | 484,909            | 807,743                     | 0                           | 1,195,700                       | (484,909)             | 387,957                    | 1,292,652                         | 1,195,700                          | (96,952)  |
|   | Youth Employment                           | 1,213,503          | 0                           | 1,213,503                   |                                 |                       | 0                          | 1,213,503                         | 1,213,503                          | 0   |
|   | <b>Subtotal Middle &amp; High School</b>   | <b>2,547,643</b>   | <b>877,654</b>              | <b>1,213,503</b>            | <b>1,195,700</b>                | <b>(1,334,140)</b>    | <b>318,046</b>             | <b>3,425,297</b>                  | <b>2,409,203</b>                   | <b>(1,016,094)</b>                                  |
| <b>Health</b>                                   | School-based health centers ( See Note 2)  |                    | 1,656,819                   | 0                           | 2,605,000                       | 0                     | 948,181                    | 1,656,819                         | 2,605,000                          | 948,181   |
|   | School Nurses                              |                    | 766,545                     |                             | 699,286                         | 0                     | (67,259)                   | 766,545                           | 699,286                            | (67,259)  |
|   | Health Education                           |                    | 139,371                     |                             | 0                               | 0                     | (139,371)                  | 139,371                           | 0                                  | (139,371)   |
|   | Pilot                                      |                    | 0                           |                             |                                 | 0                     | 0                          | 0                                 | 0                                  | 0   |
|   | Youth Mental Health                        | 758,317            |                             | 758,317                     |                                 |                       |                            |                                   |                                    |   |

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### Attachment 3: Investment Areas

| Strategic Areas               | Program                                | 2004 GF allocation | 2004 Ed Levy Adopted Budget | GF Recommendations for 2005 | Ed Levy Full Annual Expenditure | Net difference for GF | Net difference for Ed Levy | Current investment (GF & Ed Levy) | Proposed investment (GF & Ed Levy) | Difference between proposed and current investments |
|-------------------------------|--|--------------------|-----------------------------|-----------------------------|---------------------------------|-----------------------|----------------------------|-----------------------------------|------------------------------------|---|
|                               | Services                               |                    |                             |                             |                                 |                       |                            |                                   |                                    |   |
|                               | Program management                     | 527,000            |                             |                             | 345,973                         | (527,000)             | 345,973                    | 527,000                           | 345,973                            | (181,027)   |
|                               | <b>Subtotal Health</b>                 | <b>1,285,317</b>   | <b>2,562,735</b>            | <b>758,317</b>              | <b>3,650,259</b>                | <b>(527,000)</b>      | <b>1,087,524</b>           | <b>3,848,052</b>                  | <b>4,408,576</b>                   | <b>560,524</b>                                      |
| <b>School Crossing Guards</b> | School Crossing Guards                 |                    |                             |                             | 513,900                         |                       |                            |                                   |                                    |   |
|                               | <b>Subtotal School Crossing Guards</b> |                    |                             |                             | <b>513,900</b>                  |                       |                            |                                   |                                    |   |
|                               |  |                    |                             |                             |                                 |                       |                            |                                   |                                    |   |
|                               | <b>Totals</b>                          | <b>7,430,759</b>   | <b>9,425,819</b>            | <b>5,172,601</b>            | <b>16,242,127</b>               | <b>(2,258,158)</b>    | <b>4,802,458</b>           | <b>16,856,578</b>                 | <b>19,900,828</b>                  | <b>3,044,250</b>                                    |
| <b>Other</b>                  | Effective Schools                      |                    | 500,000                     |                             |                                 |                       |                            | 500,000                           | 0                                  | (500,000)   |
| <b>3.17% administration</b>   |  | 539,389            |                             | 500,000                     | 0                               | 0                     | 539,389                    | 500,000                           | (39,389)                           | (39,389)  |
| <b>Evaluation</b>             |  | 100,000            |                             | 200,000                     | 0                               | 0                     | 100,000                    | 200,000                           | 100,000                            | 100,000   |
| <b>Grand Total</b>            |  | <b>7,430,759</b>   | <b>10,565,208</b>           | <b>5,172,601</b>            | <b>16,942,127</b>               | <b>(2,258,158)</b>    | <b>4,802,458</b>           | <b>17,995,967</b>                 | <b>22,114,728</b>                  | <b>4,118,761</b>                                    |



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## Attachment 4: Interest Rate Calculation

### Levy Cash Flow

Levy Cash Flow

Interest Rate

Assumption (annual rate  
compounded monthly)

|           | In          | Out       | Balance     | Interest |                |                |
|-----------|-------------|-----------|-------------|----------|----------------|----------------|
| 1/1/2005  |             |           |             |          | 2005           | 3.25%          |
| 2/1/2005  |             |           |             |          | 2006           | 3.50%          |
| 3/1/2005  |             |           |             |          | 2007           | 4.25%          |
| 4/1/2005  |             |           |             |          | 2008           | 5.50%          |
| 5/1/2005  |             |           |             |          | 2009           | 5.50%          |
| 6/1/2005  |             |           |             |          | 2010           | 5.50%          |
| 7/1/2005  | \$8,136,000 | \$207,018 | \$7,928,982 | \$18,171 | 2011           | 5.50%          |
| 8/1/2005  |             | 207,018   | 7,740,134   | 17,738   | 2012           |                |
| 9/1/2005  |             | 1,303,349 | 6,454,523   | 14,792   | <b>Balance</b> | <b>\$4,327</b> |
| 10/1/2005 |             | 1,303,349 | 5,165,965   | 11,839   |                |                |
| 11/1/2005 |             | 1,303,349 | 3,874,455   | 8,879    |                |                |
| 12/1/2005 |             | 1,303,349 | 2,579,984   | 5,912    |                |                |
| 1/1/2006  | 8,136,000   | 1,233,833 | 9,488,064   | 25,697   |                |                |
| 2/1/2006  |             | 1,233,833 | 8,279,927   | 22,425   |                |                |
| 3/1/2006  |             | 1,233,833 | 7,068,518   | 19,144   |                |                |
| 4/1/2006  |             | 1,233,833 | 5,853,829   | 15,854   |                |                |
| 5/1/2006  |             | 1,233,833 | 4,635,850   | 12,555   |                |                |
| 6/1/2006  |             | 1,233,833 | 3,414,572   | 9,248    |                |                |
| 7/1/2006  | 8,258,000   | 1,233,833 | 10,447,986  | 28,297   |                |                |
| 8/1/2006  |             | 1,233,833 | 9,242,450   | 25,032   |                |                |
| 9/1/2006  |             | 1,233,833 | 8,033,648   | 21,758   |                |                |
| 10/1/2006 |             | 1,233,833 | 6,821,572   | 18,475   |                |                |
| 11/1/2006 |             | 1,233,833 | 5,606,214   | 15,183   |                |                |
| 12/1/2006 |             | 1,233,833 | 4,387,564   | 11,883   |                |                |
| 1/1/2007  | 8,258,000   | 1,360,833 | 11,296,614  | 32,948   |                |                |
| 2/1/2007  |             | 1,360,833 | 9,968,729   | 29,075   |                |                |
| 3/1/2007  |             | 1,360,833 | 8,636,971   | 25,191   |                |                |
| 4/1/2007  |             | 1,360,833 | 7,301,329   | 21,296   |                |                |
| 5/1/2007  |             | 1,360,833 | 5,961,791   | 17,389   |                |                |
| 6/1/2007  |             | 1,360,833 | 4,618,347   | 13,470   |                |                |

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# **Levy Cash Flow**

Levy Cash Flow

Interest Rate

Assumption (annual rate  
compounded monthly)

|           | <b>In</b> | <b>Out</b> | <b>Balance</b> | <b>Interest</b> |
|-----------|-----------|------------|----------------|-----------------|
| 7/1/2007  | 8,286,500 | 1,360,833  | 11,557,483     | 33,709          |
| 8/1/2007  |           | 1,360,833  | 10,230,359     | 29,839          |
| 9/1/2007  |           | 1,360,833  | 8,899,365      | 25,956          |
| 10/1/2007 |           | 1,360,833  | 7,564,488      | 22,063          |
| 11/1/2007 |           | 1,360,833  | 6,225,718      | 18,158          |
| 12/1/2007 |           | 1,360,833  | 4,883,043      | 14,242          |
| 1/1/2008  | 8,286,500 | 1,444,250  | 11,739,535     | 41,578          |
| 2/1/2008  |           | 1,444,250  | 10,336,862     | 36,610          |
| 3/1/2008  |           | 1,444,250  | 8,929,222      | 31,624          |
| 4/1/2008  |           | 1,444,250  | 7,516,596      | 26,621          |
| 5/1/2008  |           | 1,444,250  | 6,098,968      | 21,601          |
| 6/1/2008  |           | 1,444,250  | 4,676,318      | 16,562          |
| 7/1/2008  | 8,307,000 | 1,444,250  | 11,555,630     | 40,926          |
| 8/1/2008  |           | 1,444,250  | 10,152,306     | 35,956          |
| 9/1/2008  |           | 1,444,250  | 8,744,012      | 30,968          |
| 10/1/2008 |           | 1,444,250  | 7,330,731      | 25,963          |
| 11/1/2008 |           | 1,444,250  | 5,912,444      | 20,940          |
| 12/1/2008 |           | 1,444,250  | 4,489,134      | 15,899          |
| 1/1/2009  | 8,307,000 | 1,442,917  | 11,369,116     | 52,108          |
| 2/1/2009  |           | 1,442,917  | 9,978,308      | 45,734          |
| 3/1/2009  |           | 1,442,917  | 8,581,125      | 39,330          |
| 4/1/2009  |           | 1,442,917  | 7,177,538      | 32,897          |
| 5/1/2009  |           | 1,442,917  | 5,767,519      | 26,434          |
| 6/1/2009  |           | 1,442,917  | 4,351,037      | 19,942          |
| 7/1/2009  | 8,309,500 | 1,442,917  | 11,237,562     | 51,505          |
| 8/1/2009  |           | 1,442,917  | 9,846,151      | 45,128          |
| 9/1/2009  |           | 1,442,917  | 8,448,363      | 38,722          |
| 10/1/2009 |           | 1,442,917  | 7,044,168      | 32,286          |
| 11/1/2009 |           | 1,442,917  | 5,633,537      | 25,820          |
| 12/1/2009 |           | 1,442,917  | 4,216,440      | 19,325          |
| 1/1/2010  | 8,309,500 | 1,464,333  | 11,080,932     | 50,788          |

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### Levy Cash Flow

Levy Cash Flow

Interest Rate

Assumption (annual rate  
compounded monthly)

|           | In        | Out       | Balance    | Interest |
|-----------|-----------|-----------|------------|----------|
| 2/1/2010  |           | 1,464,333 | 9,667,387  | 44,309   |
| 3/1/2010  |           | 1,464,333 | 8,247,362  | 37,800   |
| 4/1/2010  |           | 1,464,333 | 6,820,829  | 31,262   |
| 5/1/2010  |           | 1,464,333 | 5,387,758  | 24,694   |
| 6/1/2010  |           | 1,464,333 | 3,948,119  | 18,096   |
| 7/1/2010  | 8,309,500 | 1,464,333 | 10,811,381 | 49,552   |
| 8/1/2010  |           | 1,464,333 | 9,396,600  | 43,068   |
| 9/1/2010  |           | 1,464,333 | 7,975,334  | 36,554   |
| 10/1/2010 |           | 1,464,333 | 6,547,554  | 30,010   |
| 11/1/2010 |           | 1,464,333 | 5,113,231  | 23,436   |
| 12/1/2010 |           | 1,464,333 | 3,672,333  | 16,832   |
| 1/1/2011  | 8,309,500 | 1,486,000 | 10,512,665 | 48,183   |
| 2/1/2011  |           | 1,486,000 | 9,074,848  | 41,593   |
| 3/1/2011  |           | 1,486,000 | 7,630,441  | 34,973   |
| 4/1/2011  |           | 1,486,000 | 6,179,413  | 28,322   |
| 5/1/2011  |           | 1,486,000 | 4,721,736  | 21,641   |
| 6/1/2011  |           | 1,486,000 | 3,257,377  | 14,930   |
| 7/1/2011  | 8,310,000 | 1,486,000 | 10,096,307 | 46,275   |
| 8/1/2011  |           | 1,486,000 | 8,656,581  | 39,676   |
| 9/1/2011  |           | 1,486,000 | 7,210,257  | 33,047   |
| 10/1/2011 |           | 1,486,000 | 5,757,304  | 26,388   |
| 11/1/2011 |           | 1,486,000 | 4,297,692  | 19,698   |
| 12/1/2011 |           | 1,486,000 | 2,831,390  | 12,977   |
| 1/1/2012  | 8,310,000 | 981,750   | 10,172,617 | 46,624   |
| 2/1/2012  |           | 981,750   | 9,237,492  | 42,339   |
| 3/1/2012  |           | 981,750   | 8,298,080  | 38,033   |
| 4/1/2012  |           | 981,750   | 7,354,363  | 33,707   |
| 5/1/2012  |           | 981,750   | 6,406,320  | 29,362   |
| 6/1/2012  |           | 981,750   | 5,453,933  | 24,997   |
| 7/1/2012  | 349,000   | 981,750   | 4,846,180  | 22,212   |
| 8/1/2012  |           | 981,750   | 3,886,642  | 17,814   |

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### Levy Cash Flow

Levy Cash Flow

Interest Rate

Assumption (annual rate  
compounded monthly)

|                | <b>In</b>   | <b>Out</b>  | <b>Balance</b> | <b>Interest</b> |
|----------------|-------------|-------------|----------------|-----------------|
| 9/1/2012       |             | 981,750     | 2,922,705      | 13,396          |
| 10/1/2012      |             | 981,750     | 1,954,351      | 8,957           |
| 11/1/2012      |             | 981,750     | 981,559        | 4,499           |
| 12/1/2012      |             | 981,750     | 4,307          | 20              |
| 1/1/2013       |             |             |                |                 |
|                | 116,182,000 | 118,594,433 |                | 2,416,760       |
|                |             | 118,598,760 |                | 2,416,000       |
| Levy Cash Flow |             | 4,327       |                |                 |

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## Attachment 5: Collection Estimates

|   |      | 2005   | 2006  | 2007   | 2008   | 2009   | 2010   | 2011   | Total<br>Annual<br>Collections |
|---|------|--------|---|--------|--------|--------|--------|--------|--------------------------------|
| Amount Levied   |      | 16,684 | 16,684  | 16,684 | 16,684 | 16,684 | 16,684 | 16,684 | 116,788                        |
| Amount Due (after reduced tax base)                                     |      | 16,621 | 16,621  | 16,621 | 16,621 | 16,621 | 16,621 | 16,621 | 116,344                        |
| Amount Collected (see assumption on<br>collections of delinquent taxes) | 2005 | 16272  |   |        |        |        |        |        | 16,272                         |
|   | 2006 | 244    | 16272   |        |        |        |        |        | 16,516                         |
|   | 2007 | 58     | 244   | 16272  |        |        |        |        | 16,573                         |
|   | 2008 | 41     | 58  | 244    | 16272  |        |        |        | 16,614                         |
|   | 2009 | 4      | 41  | 58     | 244    | 16272  |        |        | 16,619                         |
|   | 2010 | 1      | 4   | 41     | 58     | 244    | 16272  |        | 16,619                         |
|   | 2011 | 0      | 1   | 4      | 41     | 58     | 244    | 16272  | 16,620                         |
|   | 2012 | 0      | 0   | 1      | 4      | 41     | 58     | 244    | 349                            |
|   | 2013 |        | 0   | 0      | 1      | 4      | 41     | 58     | 104                            |
|   | 2014 |        |   | 0      | 0      | 1      | 4      | 41     | 47                             |
|   | 2015 |        |   |        | 0      | 0      | 1      | 4      | 6                              |
|   | 2016 |        |   |        |        | 0      | 0      | 1      | 1                              |
|   | 2017 |        |   |        |        |        | 0      | 0      | 1                              |
| Subtotal, amount collected through 2011                                 |      | 16,620 | 16,619  | 16,619 | 16,614 | 16,573 | 16,516 | 16,272 | 115,834                        |
| Subtotal, amount collected 2012 to 2017                                 |      | -      | 0   | 1      | 1      | 6      | 47     | 104    | 159                            |
| Totals  |      | 16,620 | 16,620  | 16,620 | 16,620 | 16,620 | 16,620 | 16,620 | 116,341                        |
| <b>Assumptions</b>  |      |        |   |        |        |        |        |        |                                |
| Tax base loss each year   |      | 0.38%  | Reflects 3-year experience (1997-1999) of "excess of cancellations over supplements" in tax base. |        |        |        |        |        |                                |
| Delinquency rate  |      | 2.10%  | Reflects 3-year experience (1997 to 1999).  |        |        |        |        |        |                                |
| Delinquency collections   | Year | Rate   |   |        |        |        |        |        |                                |
|   | 1    | 70.0%  | Reflects approximate 3-year experience (1997 to 1999).  |        |        |        |        |        |                                |
|   | 2    | 55.0%  |   |        |        |        |        |        |                                |
|   | 3    | 87.0%  |   |        |        |        |        |        |                                |
|   | 4    | 70.0%  |   |        |        |        |        |        |                                |
|   | 5    | 37.0%  |   |        |        |        |        |        |                                |
|   | 6    | 40.0%  |   |        |        |        |        |        |                                |
|   | 7    | 40.0%  |   |        |        |        |        |        |                                |